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COTTON

PROGRAM—1960

Tuesday, December 15, 1959, is the day cotton farmers will vote in a referendum to decide whether marketing quotas will apply to the 1960 crop of upland cotton.

The vote will also determine the kind of allotment-price support program available for the 1960 upland cotton crop (see below).

All growers who engaged in the production of upland cotton in 1959 are eligible to vote in the December 15 referendum.

To go into effect, the quotas must be approved by at least two-thirds of the growers voting.

“A” and “B” PROGRAMS

If quotas are in effect for the 1960 crop of upland cotton, farm operators will have an opportunity—as they did in 1959—to choose between two allotment-and-price-support programs—Choice (A) and Choice (B).

Choice (A) will provide for the “regular” farm allotments, and price support at not less than 75 percent of parity to growers who comply with these allotments.

Choice (B) will provide for farm allotments which are 40 percent larger than the “regular” farm allotments, and price support at not less than 60 percent of parity to cooperators.

HERE IS YOUR REFERENDUM CHOICE:

If at least two-thirds of the votes are "Yes"—

1. Marketing quotas will be in effect for the 1960 upland cotton crop.
2. Each farm operator with an allotment will have a choice between (A) and (B) allotments and price supports (explanation in text).
3. A farmer who exceeds his chosen farm allotment will be subject to a quota penalty on his "excess" cotton and will not be eligible for price support.

If more than one-third of the votes are "No"—

1. No marketing quotas and no marketing quota penalties will be in effect for the 1960 upland cotton crop.
2. Only the "regular"—Choice (A)—allotments will be available.
3. Price support for growers who comply with their "regular" farm allotments will be available at 50 percent of parity.

Before the December 15 referendum, each farm operator will be informed of the Choice (A) and Choice (B) allotments for his farm.

Under both Choice (A) and Choice (B), cotton grown in compliance with the chosen allotment may be marketed free of penalty. Cotton harvested in excess of the chosen farm allotment, however, will be subject to marketing penalties (50 percent of the cotton parity price as of June 15, 1960).

A farmer who has overplanted his allotment will be considered "in compliance" if he adjusts his planted acreage to the chosen farm allotment within a time limit. He would then not have "penalty" cotton.

If the farm remains overplanted and the farmer establishes by a specified date that the actual yield is less than the normal yield, the County Agricultural Stabilization and Conservation Committee will reduce the amount of cotton subject to the penalty.

PRICE SUPPORT

If quotas are approved for the 1960 upland cotton crop, the level of price support for the crop will be determined not later than January 31, 1960. Each farm operator will then be notified of the support available for his cotton under both Choice (A) and Choice (B); he will also be informed that he must register his election of Choice (B) at the County ASC Office not later than March 16, 1960.

If the operator decides to grow his crop in compliance with Choice (A), no such action is required. Failure to elect Choice (B) will automatically make Choice (A) effective on the farm for 1960.

If any person operates more than one farm with an upland cotton acreage allotment, the same choice will be effective for all his farms.



Under a quota program, cotton produced in compliance with a Choice (A) farm allotment will be eligible for price support through a Commodity Credit Corporation purchase program; cotton produced in compliance with a Choice (B) farm allotment will be eligible for price support through loans, purchases, or other operations.

QUOTAS—ALLOTMENTS

Upland cotton supplies for 1959-60 are estimated at 23,154,000 running bales—4,434,000 bales above the “normal supply” figure beyond which the Secretary of Agriculture must proclaim a national marketing quota for the 1960 crop.

The national marketing quota for the 1960 upland cotton crop has been set at 13,133,000 bales (500 pounds gross weight) and the national acreage allotment at 16 million acres. In addition, 310,000 acres are provided by law for minimum farm allotments.

The national acreage allotment for 1960 is divided among States and counties on the basis of the acreage planted to cotton during the 5-year base period 1954-58, with adjustments as provided by law.

The minimum farm allotment for “old cotton farms” (on which cotton was planted in 1957, 1958, or 1959) is the smaller of the farm’s 1958 acreage allotment or 10 acres.

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For further information, see your County ASC Committee.

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